

# Manufacturing Matters More than Ever

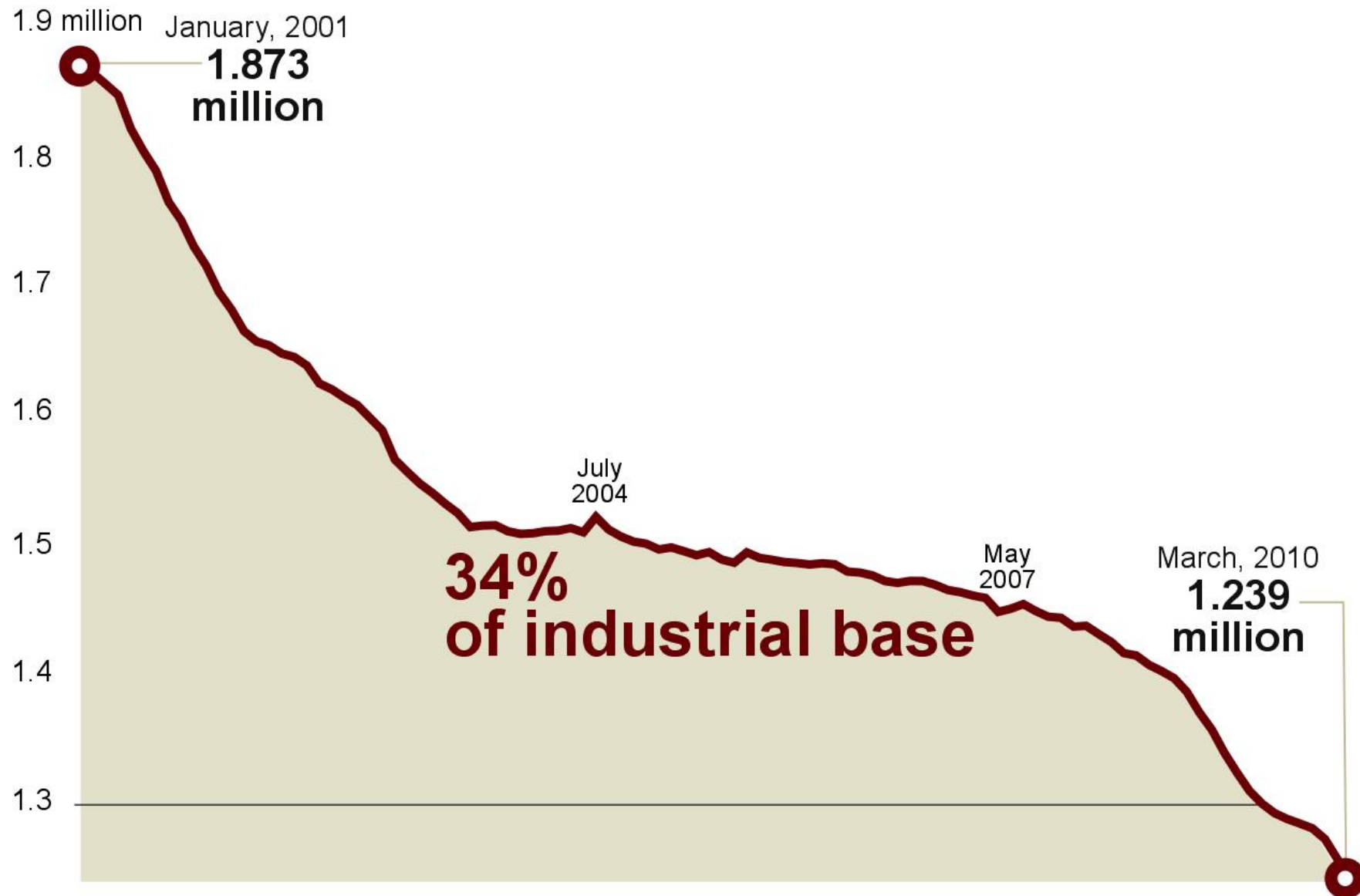
Dorothy Rothrock | VP, Government Relations  
California Manufacturers & Technology Association  
July 22, 2010

presented to

**The Joint Committee Workshop on  
Clean Energy Manufacturing in  
California**

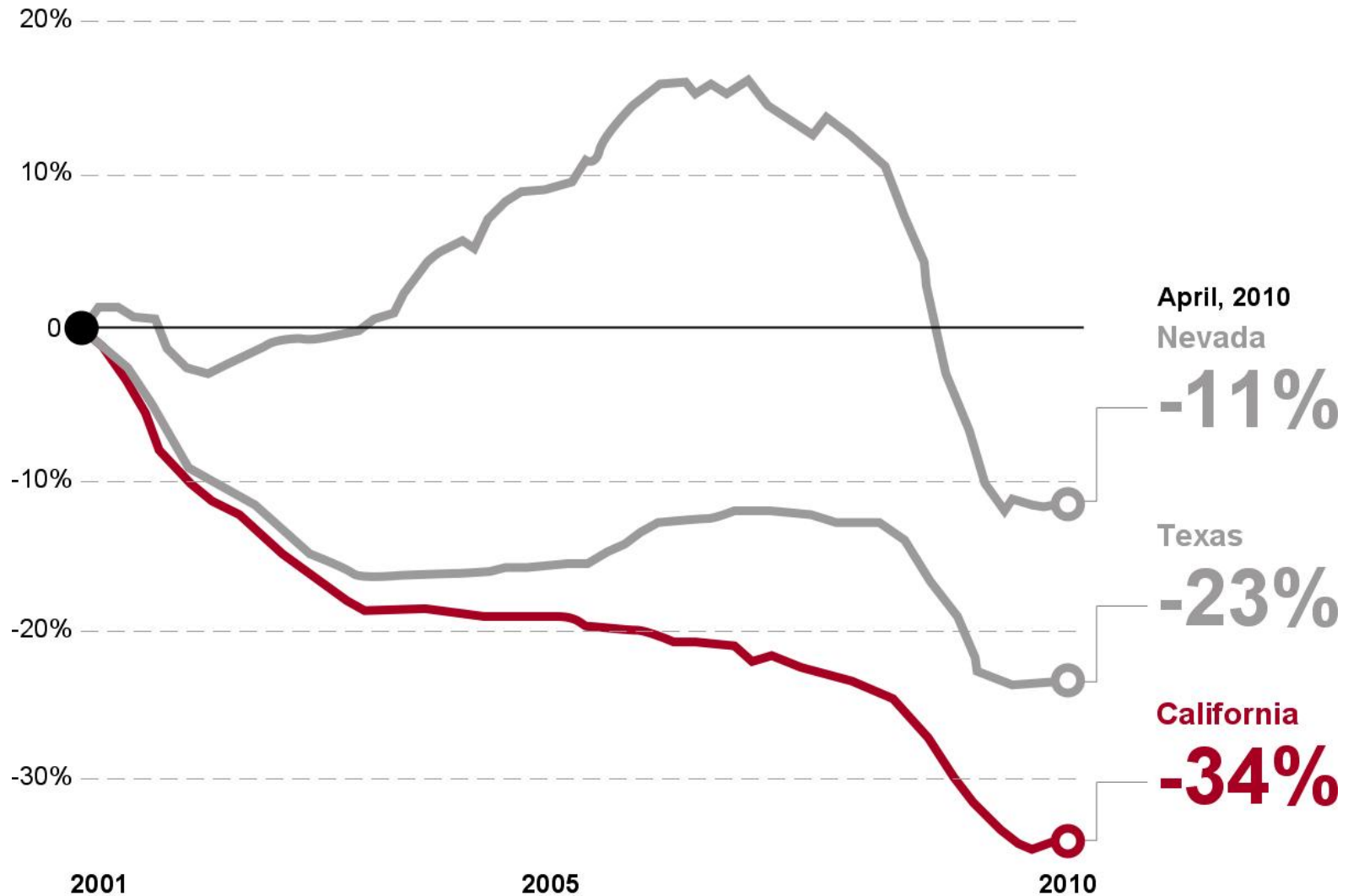
# California Manufacturing employment in decline

2001 - 2010



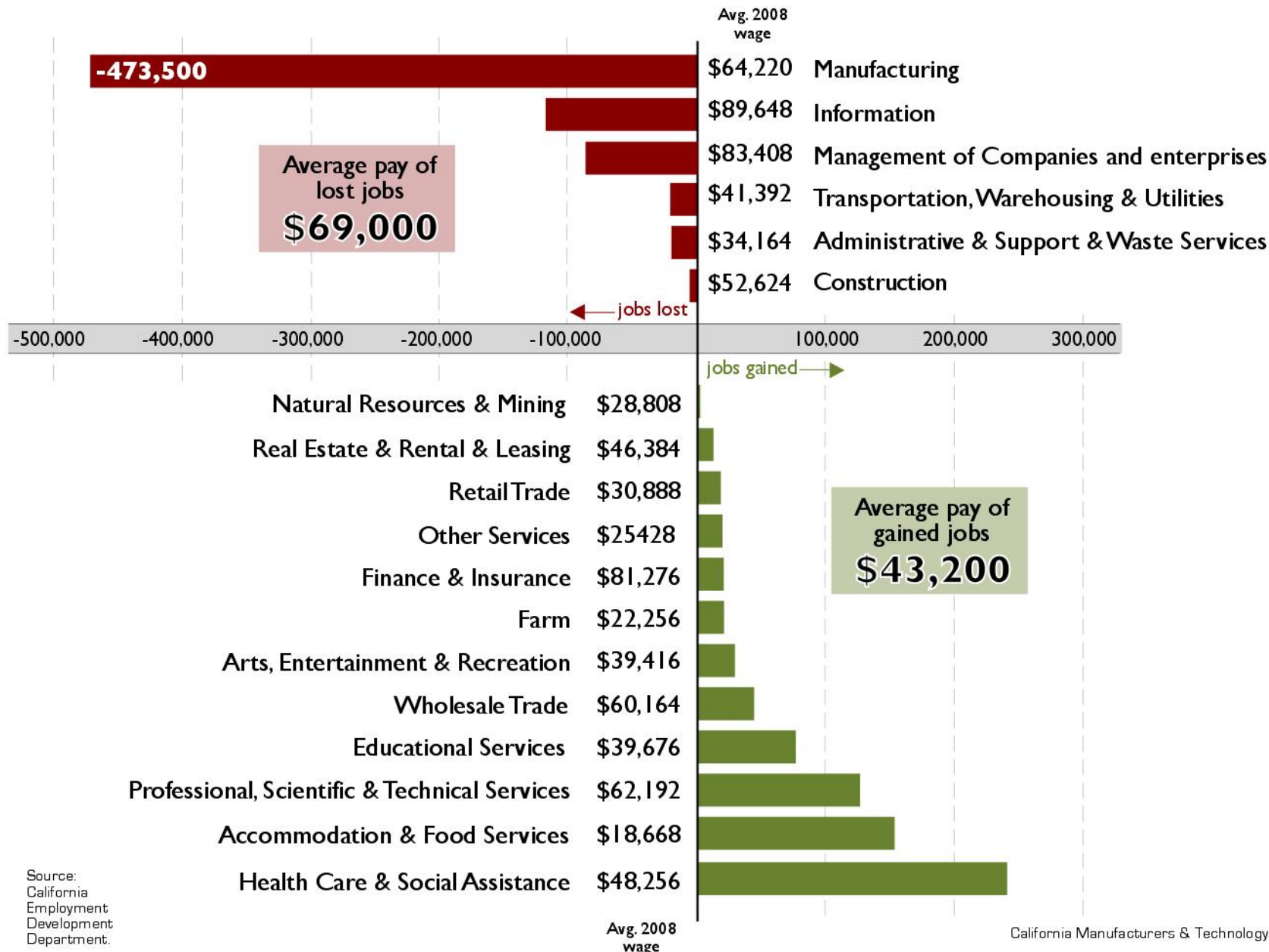
# California losing more manufacturing than competing states

Seasonally adjusted 2001 - 2010



# Higher paying sectors declining in California

January, 2001 to December, 2008 (Government not included)



Source:  
California  
Employment  
Development  
Department.

California Manufacturers & Technology Association

# California businesses pay higher costs than rest of the nation

**13.7%**

more in  
**wage  
costs**

**15.6%**

more in  
**taxes**

**33.4%**

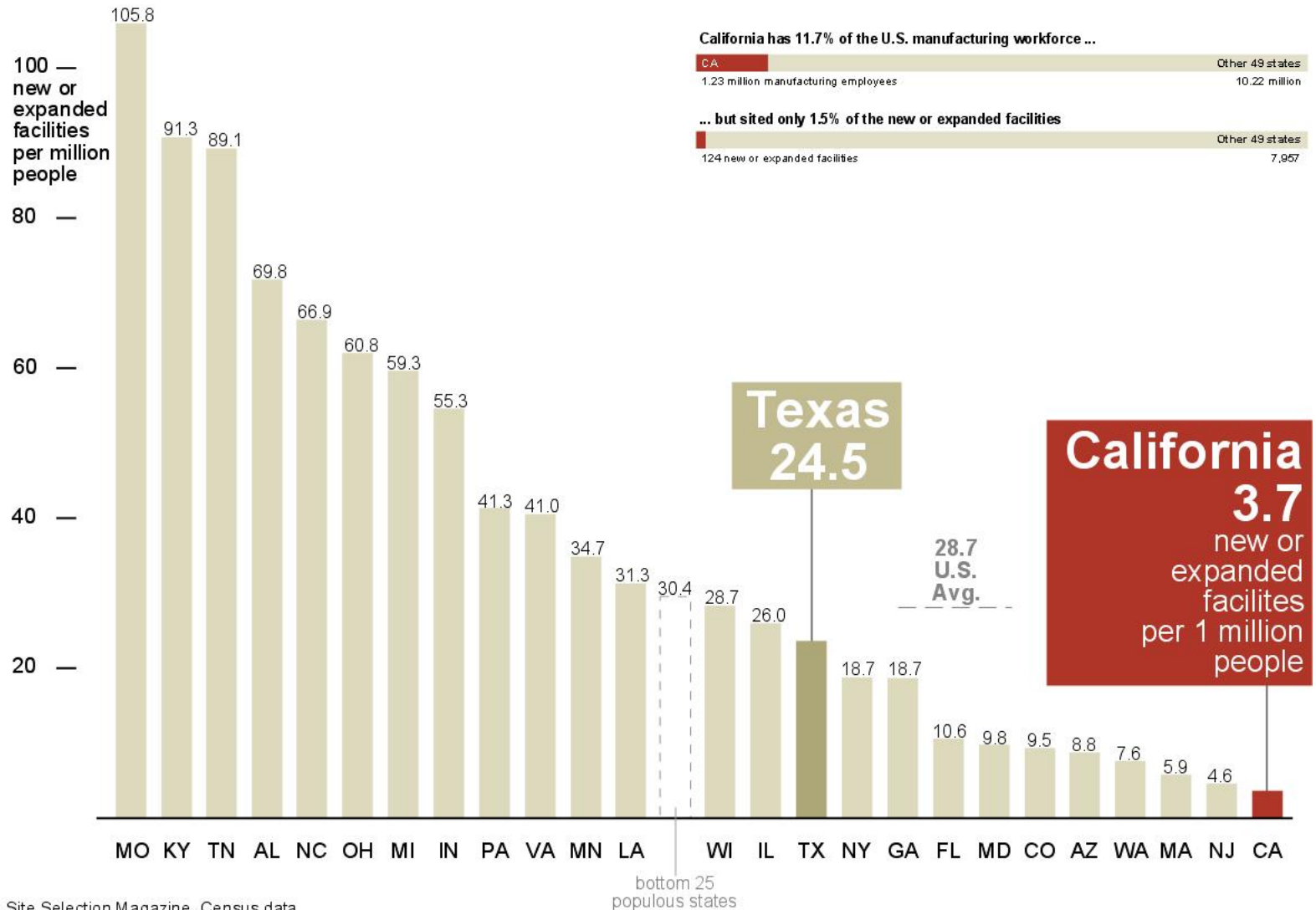
more in  
**electricity  
rates**

\*industrial  
electric rates  
even  
higher: 53%

source: Milken Institute

# California is not winning

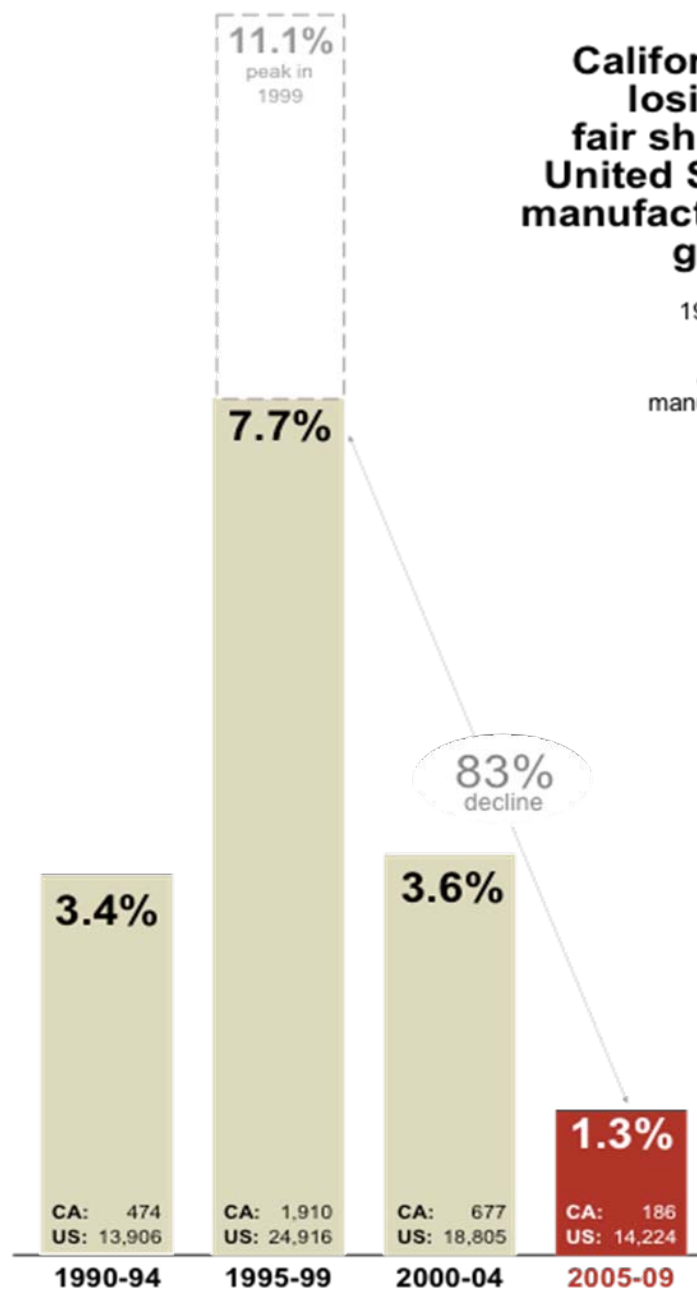
From 2007 to 2009, the state's growth in manufacturing capacity ranks last among the 25 most populous states and is far below the national average



# California is losing its fair share of United States manufacturing growth

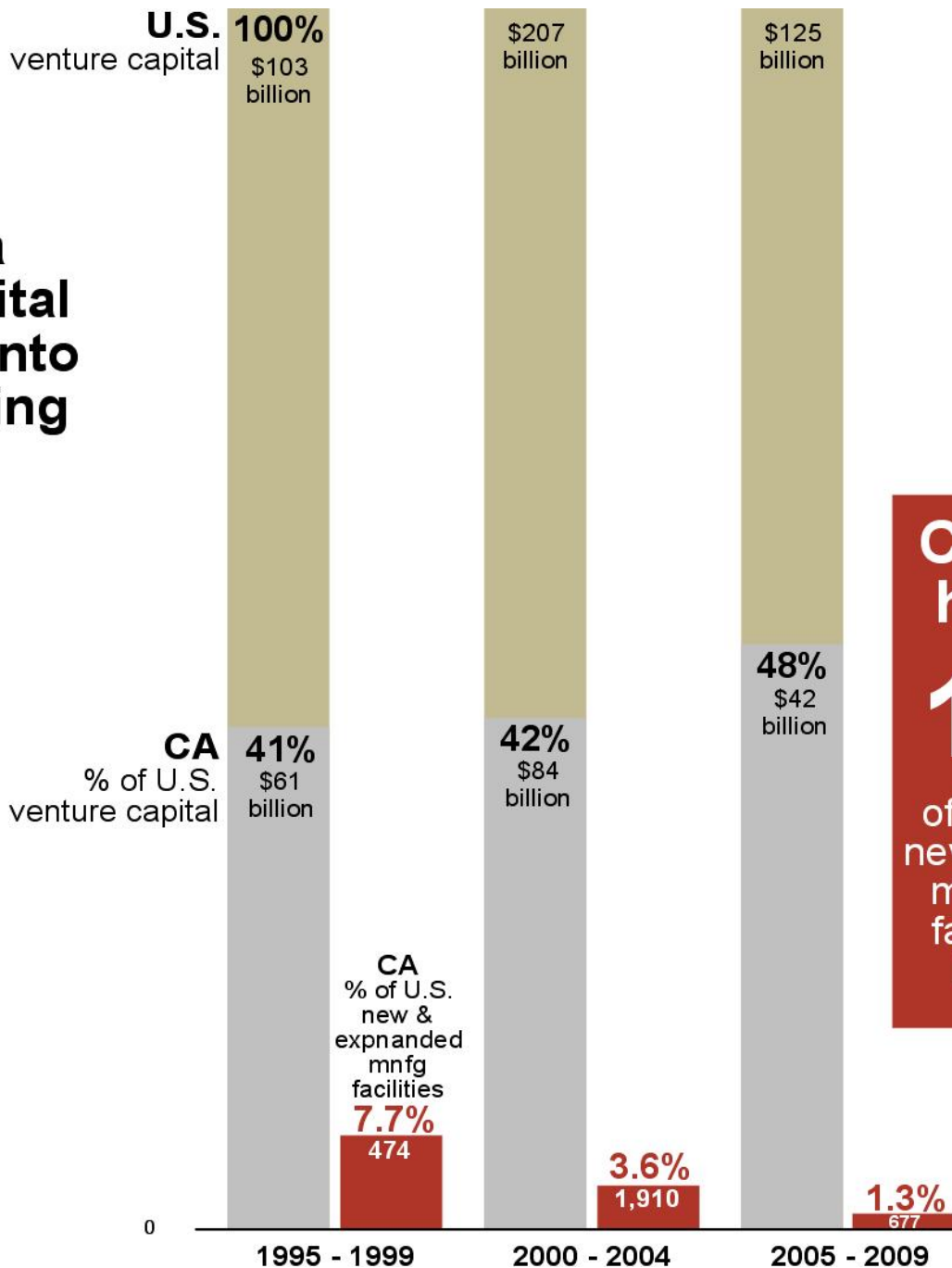
1990 -2009

New and expanded manufacturing facilities





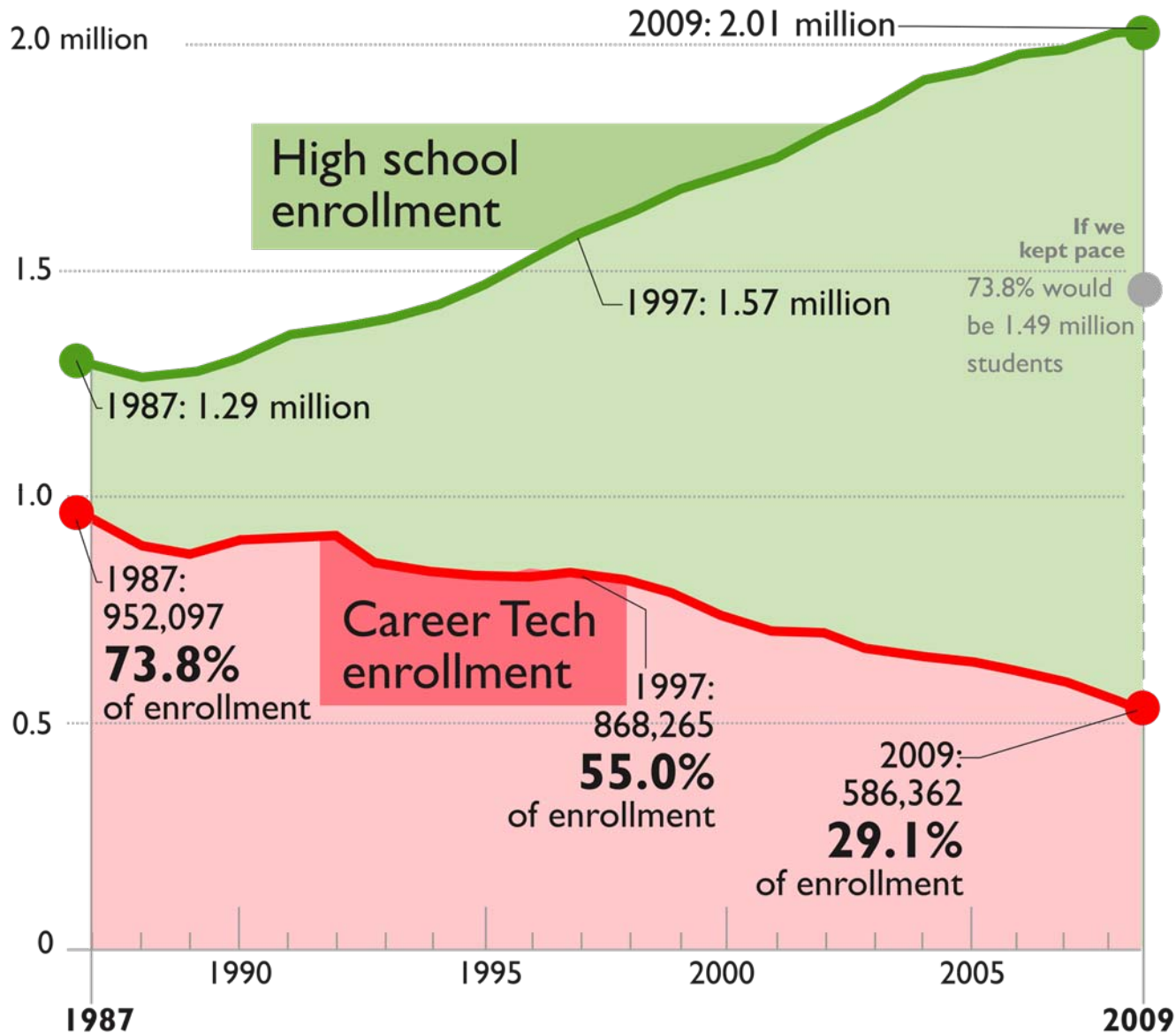
# California venture capital not turning into manufacturing growth



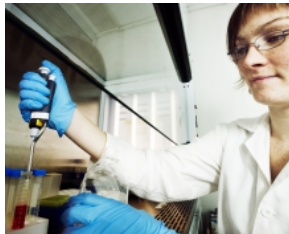
**California  
had only  
1.3%**  
of the country's  
new or expanded  
manufacturing  
facilities in the  
last 5 years



# 22 years of declining California CTE enrollment



Source: California Basic Educational Data System



# Initiatives to Promote California Manufacturing

- 1. Sales tax exemption for mfg equipment**
- 2. Reduce electricity costs**
- 3. Skilled workforce investments**
- 4. Limit on California-only regulations**